

## **CITY OF LODI**

## **COUNCIL COMMUNICATION**

AGENDA TITLE:

Adopt resolution authorizing the City Manager to provide funding in the amount of \$6,135.00

to fund the Public Benefits Program Grant for the 631 E. Oak Street Building/Employment

Development Department Demand-side Management Project (EUD)

**MEETING DATE:** 

December 19, 2001

PREPARED BY:

Electric Utility Director

RECOMMENDED ACTION:

That the City Council adopt a resolution authorizing the City Manager to provide funding in the amount of \$6,135.00 to fund the Public Benefits Program Grant for the 631 E. Oak Street Building/Employment Development

Department Demand-side Management Project.

**BACKGROUND INFORMATION:** 

Mr. Ron Slate, who owns the 631 E. Oak Street Building (leasing the space to the Employment Development Department, State of California), opted to retrofit his building mechanical equipment (heating & cooling system). By way of this retrofit, the following new, high efficiency equipment was installed:

- > one 5-ton 11.0 Energy Efficiency Rating (EER) air conditioning unit; and
- one 7.5-ton 11.0 EER air conditioning unit; and
- > two 10-ton 11.0 EER air conditioning units; and
- four programmable thermostats to operate the new mechanical equipment.

As a result of this new heating and cooling equipment, the customer will see a minimum reduction of 15 percent from their monthly energy costs, and the new, high efficiency equipment has an operational life of approximately twelve to fifteen years. The grant amount of \$6,135.00 reflects the standard 20 percent rebate for energy efficiency improvement projects of this size and scope.

The Electric Utility staff respectfully recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program.

FUNDING:

164605 - Public Benefits Program (Category: Demand-side Management)

Funding Approval:

Vicky McAthie, Finance Director

Alan N. Vallow

Electric Utility Director

PREPARED BY:

Rob Lechner, Manager of Customer Programs

ANV/RL/Ist

C:

City Attorney

APPROVED:

H. Dixon Flynn - City Manager

## RESOLUTION NO. 2001-292

## A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO PROVIDE A PUBLIC BENEFITS PROGRAM GRANT FOR 631 E. OAK STREET BUILDING/EMPLOYMENT DEVELOPMENT DEPARTMENT DEMAND-SIDE MANAGEMENT PROJECT

WHEREAS, the state has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on a historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1M per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, the owner of the building at 631 E. Oak Street, which houses the Employment Development Department, has opted to retrofit his building's mechanical equipment (heating and cooling system). This retrofit will include the following:

- > one 5-ton 11.0 Energy Efficiency Rating (EER) air conditioning unit; and
- > one 7.5-ton 11.0 EER air conditioning unit; and
- > two 10-ton 11.0 EER air conditioning units; and
- > four programmable thermostats to operate the new mechanical equipment.

WHEREAS, as a result of this new heating and cooling equipment, the customer will see a minimum reduction of 15 percent from their monthly energy costs, and the new, high-efficiency equipment has an operational life of approximately twelve to fifteen years. The grant amount of \$6,135.00 reflects the standard 20 percent rebate for energy efficiency improvement projects of this size and scope; and

WHEREAS, the Electric Utility staff recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to provide a Public Benefits Program Grant for 631 E. Oak Street Building/Employment Development Department demand-side management project in the amount \$6,135.00.

Dated: [	December 1	9, 2001					
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I hereby certify that Resolution No. 2001-292 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 19, 2001, by the following vote:

AYES:

COUNCIL MEMBERS - Hitchcock, Howard, Land, Nakanishi,

and Mayor Pennino

NOES:

COUNCIL MEMBERS - None

ABSENT:

COUNCIL MEMBERS - None

ABSTAIN:

COUNCIL MEMBERS - None

SUSAN J. BLACKSTON

City Clerk